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NOTICE OF ALLOWANCE AND FEE(S) DUE

7590 06/24/2010

Brent R. Knight ExxonMobil Upstream Research Company P.O. BOX 2189 Houston, TX 77252-2189

EXAMINER			
JONES, HUGH M			
ART UNIT	PAPER NUMBER		

2128

DATE MAILED: 06/24/2010

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/575,563	04/12/2006	Lester H. Landis Jr	2004UR002	1376

TITLE OF INVENTION: RESERVOIR EVALUATION METHODS

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1510	\$300	\$0	\$1810	09/24/2010

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. PROSECUTION ON THE MERITS IS CLOSED. THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.

THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN THREE MONTHS FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. THIS STATUTORY PERIOD CANNOT BE EXTENDED. SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.

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A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

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III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

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Complete and send this form, together with applicable fee(s), to: Mail Mail Stop ISSUE FEE

Commissioner for Patents P.O. Box 1450

Alexandria, Virginia 22313-1450 (571)-273-2885 or <u>Fax</u>

INSTRUCTIONS: This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for

maintenance fee notifications. Note: A certificate of mailing can only be used for domestic mailings of the CURRENT CORRESPONDENCE ADDRESS (Note: Use Block 1 for any change of address) Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission. 7590 06/24/2010 Certificate of Mailing or Transmission Brent R. Knight I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below. ExxonMobil Upstream Research Company P.O. BOX 2189 Houston, TX 77252-2189 (Depositor's name (Signature (Date APPLICATION NO. FIRST NAMED INVENTOR ATTORNEY DOCKET NO. CONFIRMATION NO. FILING DATE 10/575,563 04/12/2006 Lester H. Landis Jr 2004UR002 1376 TITLE OF INVENTION: RESERVOIR EVALUATION METHODS APPLN. TYPE SMALL ENTITY ISSUE FEE DUE PUBLICATION FEE DUE PREV. PAID ISSUE FEE TOTAL FEE(S) DUE DATE DUE nonprovisional NO \$1510 \$300 \$0 \$1810 09/24/2010 **EXAMINER** ART UNIT CLASS-SUBCLASS JONES, HUGH M 2128 703-010000 1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363). 2. For printing on the patent front page, list (1) the names of up to 3 registered patent attorneys or agents OR, alternatively, ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached. (2) the name of a single firm (having as a member a ☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. Use of a Customer Number is required. registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed. 3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type) PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment. (A) NAME OF ASSIGNEE (B) RESIDENCE: (CITY and STATE OR COUNTRY) 4b. Payment of Fee(s): (Please first reapply any previously paid issue fee shown above) 4a. The following fee(s) are submitted: lssue Fee A check is enclosed. Publication Fee (No small entity discount permitted) Payment by credit card. Form PTO-2038 is attached. The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number ______ (enclose an extra copy of this fo Advance Order - # of Copies _ (enclose an extra copy of this form). 5. Change in Entity Status (from status indicated above) a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27. ■ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2). NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office. Authorized Signature Date Typed or printed name Registration No. This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

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ExxonMobil Upstream Research Company			ART UNIT	PAPER NUMBER
P.O. BOX 2189 Houston, TX 77252	2-2189		2128 DATE MAILED: 06/24/201	0

Determination of Patent Term Adjustment under 35 U.S.C. 154 (b)

(application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 709 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 709 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (http://pair.uspto.gov).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

	Application No.	Applicant(s)	
Notice of Allowability	10/575,563 Examiner	LANDIS JR ET AL. Art Unit	
•			
	Hugh Jones	2128	
The MAILING DATE of this communication appeal claims being allowable, PROSECUTION ON THE MERITS IS herewith (or previously mailed), a Notice of Allowance (PTOL-85) NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIOF of the Office or upon petition by the applicant. See 37 CFR 1.313	(OR REMAINS) CLOSED or other appropriate comr GHTS . This application is	in this application. If not included nunication will be mailed in due course.	
1. This communication is responsive to 4/12/2010.			
2. \boxtimes The allowed claim(s) is/are $\underline{1,3-20,22,24,25,43,44}$ and $\underline{46}$.			
 3. Acknowledgment is made of a claim for foreign priority ur a) All b) Some* c) None of the: 1. Certified copies of the priority documents have) or (f).	
2. Certified copies of the priority documents have	been received in Applicat	ion No	
3. Copies of the certified copies of the priority do	cuments have been receiv	ed in this national stage application fron	n the
International Bureau (PCT Rule 17.2(a)).			
* Certified copies not received:			
Applicant has THREE MONTHS FROM THE "MAILING DATE" noted below. Failure to timely comply will result in ABANDONN THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.	IENT of this application.		
 A SUBSTITUTE OATH OR DECLARATION must be subm INFORMAL PATENT APPLICATION (PTO-152) which give 			OF
5. \square CORRECTED DRAWINGS (as "replacement sheets") mus	st be submitted.		
(a) \square including changes required by the Notice of Draftspers		ew (PTO-948) attached	
1) ☐ hereto or 2) ☐ to Paper No./Mail Date			
(b) ☐ including changes required by the attached Examiner's Paper No./Mail Date	s Amendment / Comment	or in the Office action of	
Identifying indicia such as the application number (see 37 CFR 1 each sheet. Replacement sheet(s) should be labeled as such in t			f
6. DEPOSIT OF and/or INFORMATION about the depo attached Examiner's comment regarding REQUIREMENT			
Attachment(s) 1. ☐ Notice of References Cited (PTO-892)	5 Notice of	nformal Patent Application	
 Notice of References Cited (PTO-692) Dotice of Draftperson's Patent Drawing Review (PTO-948) 		Summary (PTO-413),	
3. ☑ Information Disclosure Statements (PTO/SB/08),	Paper No	s./Mail Date s Amendment/Comment	
Paper No./Mail Date <u>3/26/2010</u> 4. ☐ Examiner's Comment Regarding Requirement for Deposit		s Statement of Reasons for Allowance	
of Biological Material	9. 🔲 Other	·	

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DETAILED ACTION

1. Claims 1, 3-20, 22, 24-25, 43-44, 46 remain pending and are allowed.

Allowable Subject Matter

- 2. Claims 1, 3-20, 22, 24-25, 43-44, 46 are allowed.
- 3. The following is an examiner's statement of reasons for allowance:
- 4. The claims are novel and non-obvious over the art of record. Claim 1 requires:
 - (currently amended) A method of evaluating a reservoir, comprising:
 providing a three dimensional reservoir framework having a plurality of cells;
 assigning one or more constant reservoir property values to some or all of the cells to
 provide a first three dimensional reservoir model;
 - on a computer, performing a flow simulation on the first three dimensional reservoir model:
 - making an assessment of the reservoir using the first three dimensional reservoir model:
 - when it is determined that the first three dimensional reservoir model is to be updated, updating the first three dimensional reservoir model by populating some or all of the cells with one or more variable reservoir property values to provide a second three dimensional reservoir model;
 - on a computer, performing a flow simulation on the second three dimensional reservoir model;
 - making an assessment of the reservoir using the second three dimensional reservoir model;
 - comparing the assessment of the reservoir made using the first three dimensional reservoir model with the assessment of the reservoir made using the second three dimensional reservoir model;
 - when it is determined that the second three dimensional model is to be updated, updating the second three dimensional reservoir model by populating some or all of the cells with one or more rock-type fraction, porosity and permeability reservoir property values derived from solution to provide a third three dimensional reservoir model;
 - on a computer, performing a flow simulation on the third three dimensional reservoir model:
 - making an assessment of the reservoir using the third three dimensional reservoir model:

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comparing the assessment of the reservoir made using the second three dimensional reservoir model with the assessment of the reservoir made using the third three dimensional reservoir model;

when it is determined that the third three dimensional model is to be updated, updating the third three dimensional reservoir model by populating some or all of the cells with net-to-gross values directly derived from seismic data to provide a fourth three dimensional reservoir model;

on a computer, performing a flow simulation on the fourth three dimensional reservoir model;

making an assessment of the reservoir using the fourth three dimensional reservoir model;

comparing the assessment of the reservoir made using the third three dimensional reservoir model with the assessment of the reservoir made using the fourth three dimensional reservoir model; and

when it is determined that the fourth three dimensional model is to be updated, updating the fourth three dimensional reservoir model by populating some or all of the cells with net-to-gross values directly derived from production data to provide a fifth three dimensional reservoir model.

The basic idea of updating grids, in the given context, is well known. One example is disclosed by Le Ra Valec-Dupin et al. (US Patent 7,363,163. Note the patent doesn't qualify as prior art; however, it is representative of the state of the art). Valec-Dupin discloses updating grids (abstract. Also, see col. 1 describing the state of the art):

A method for updating a geological reservoir model by integration of dynamic data having application, for example, to petroleum reservoir development. An initial map (y) of petrophysical properties is constructed by means of a geostatistical simulator and of static data. Then an initial set of gradual pilot points and at least one complementary set of gradual pilot points are constructed. A combined set of gradual pilot points is then constructed by combining these sets of gradual pilot points

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according to the gradual deformation method wherein at least one deformation parameter is a characteristic parameter of said pilot points (position and/or value). The initial map (y) is then modified, the deformation parameters are modified according to the dynamic data and the procedure is repeated until a stop criterion is reached and the geological reservoir model is updated by associating the map thus optimized with the grid of the model.

However, Valec-Dupin (or similar art) does not anticipate or reasonably suggest the specific sequence of steps, and more importantly, the particular way in which they are carried out. In one example, different types of data are integrated (instant claim 1 – see the 'updating' limitations) for each different, subsequent updating (and new resultant gird). The combination of specific steps and the particulars of the steps render the claims novel and non-obvious over the prior art of record. Of the patents listed in the IDS of 3/26/2010, only US Patent 6549854 (assignee; and corresponds to PCT/US00/03615, also cited in the IDS) recites "net to gross", in one instance:

Brief Summary Text - BSTX (14):

Currently, reservoir models are simply modified to fit new data and confirming that the modification is not inconsistent with the previously obtained measurement data is left up to the discretion of the user. The reservoir model may be the result of years of effort and may incorporate measurement data from a wide variety of sources. A user will often only confirm that the change made is not inconsistent with the measurement data within his or her area of expertise (a well log analyst may confirm, for instance, that the change made is consistent with the other well logging data, but may not determine whether the change has introduced an inconsistency with the seismic or geologic data from the area). Many reservoir simulations rely heavily on production data from wells and only four types of geological or geophysical reservoir

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information: structure of the top of the reservoir, reservoir thickness, porosity, and the ratio of <u>net pay to gross</u> pay. These maps are often constructed from seismic and well log data alone. Incorporating all available data, such as core analyses, seismic-guided reservoir property distributions and fluid analyses, and making certain that the reservoir model is consistent with these different types of data is a cost-effective way to stregthen and validate reservoir models across disciplines.

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- 7. This teaching in combination with art of record also does not anticipate or reasonably suggest the specific sequence of steps, and more importantly, the particular way in which they are carried out. In one example, different types of data are integrated (instant claim 1 the 'updating' limitations) for each different, subsequent updating (and new resultant gird). The combination of specific steps and the particulars of the steps render the claims novel and non-obvious over the prior art of record.
- 8. Process claims 1, 3-20, 22, 24-25, 43-44, 46 were analyzed under 35 USC 101. It is recognized that, in order to be statutory, a process claim must be 1) tied to a particular machine or apparatus, or 2) it transforms a particular article into a different state or thing. *In re Bilski*, 88 USPQ2d 1385 (2008). It is also recognized that a general purpose computer may be converted into a particular computer through the operation of software on the computer. *In re Alappat*, 31 USPQ2d 1545 (1994). For the instant invention, it is clear that the process must be carried out via software operating on a computer. Independent claim 1 requires at least a computer processor. As such, the process is tied to a particular machine and meets the *Bilski* test.
- 9. Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue

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fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Hugh Jones whose telephone number is (571) 272-3781. The examiner can normally be reached on M-Th.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kamini Shah can be reached on (571) 272-2279. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Hugh Jones/ Primary Examiner, Art Unit 2128